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9

10  
11 **BEFORE THE**  
12 **CALIFORNIA BOARD OF ACCOUNTANCY**  
13 **DEPARTMENT OF CONSUMER AFFAIRS**  
14 **STATE OF CALIFORNIA**

14 In the Matter of the Accusation Against:

15 LESLIE GEORGE HUKRIEDE, JR.  
16 8295 Westminster Boulevard, Suite 250  
Westminster, CA 92683

17 Certified Public Accountant Certificate No.  
16334

18 Respondent.  
19

Case No. AC-2006-35

**DEFAULT DECISION  
AND ORDER**

[Gov. Code, §11520]

20 **FINDINGS OF FACT**

21 1. On or about February 6, 2007, Complainant Carol Sigmann, in her official  
22 capacity as the Executive Officer of the Board of Accountancy (Board) filed Accusation No.  
23 AC-2006-35 against Leslie George Hukriede, Jr. (Respondent).

24 2. On or about April 23, 1971, the Board issued Certified Public Accountant  
25 Certificate No. 16334 to Respondent. The Certified Public Accountant Certificate was in full  
26 force and effect at all times relevant to the charges brought herein and will expire on July 31,  
27 2007, unless renewed.

28 3. On or about February 14, 2007, Jennifer Familo, an employee of the

1 Department of Justice, served by Certified and First Class Mail a copy of the Accusation No.  
2 AC-2006-35, Statement to Respondent, Notice of Defense, and Request for Discovery to  
3 Respondent's address of record with the Board, which is 8295 Westminster Boulevard, Suite 250  
4 Westminster, CA 92683. A copy of the Accusation, the related documents, and Declaration of  
5 Service are attached as Exhibit A, and are incorporated herein by reference.

6 4. Service of the Accusation was effective as a matter of law under the  
7 provisions of Government Code section 11505, subdivision (c).

8 5. Government Code section 11506 states, in pertinent part:

9 (c) The respondent shall be entitled to a hearing on the merits if  
10 the respondent files a notice of defense, and the notice shall be deemed a specific  
11 denial of all parts of the accusation not expressly admitted. Failure to file a notice  
of defense shall constitute a waiver of respondent's right to a hearing, but the  
agency in its discretion may nevertheless grant a hearing.

12 6. Respondent failed to file a Notice of Defense within 15 days after service  
13 upon him of the Accusation, and therefore waived his right to a hearing on the merits of  
14 Accusation No. AC-2006-35.

15 7. California Government Code section 11520 states, in pertinent part:

16 (a) If the respondent either fails to file a notice of defense or to  
17 appear at the hearing, the agency may take action based upon the  
18 respondent's express admissions or upon other evidence and affidavits may  
be used as evidence without any notice to respondent.

19 8. Pursuant to its authority under Government Code section 11520, the  
20 Director finds Respondent is in default. The Board will take action without further hearing and,  
21 based on Respondent's express admissions by way of default and the evidence before it,  
22 contained in Exhibits A and B, finds that the allegations in Accusation No. AC-2006-35 are true.

23 9. The total costs for investigation and enforcement are \$7,393.40, which are  
24 set forth in the Certifications of Costs, attached as Exhibit B.

25 **DETERMINATION OF ISSUES**

26 1. Based on the foregoing findings of fact, Respondent Leslie George  
27 Hukriede, Jr. has subjected his Certified Public Accountant Certificate No. 16334 to discipline.

28 2. A copy of the Accusation and the related documents and Declaration of

1 Service are attached as Exhibit A.

2 3. The agency has jurisdiction to adjudicate this case by default.

3 4. The Board is authorized to revoke Respondent's Certified Public

4 Accountant Certificate based upon the following violations alleged in the Accusation:

5 a. Business & Professions Code section 5100(c) and California Code  
6 of Regulations, Title 16, Section 58, for gross negligence and/or repeated acts of negligence and  
7 failure to comply with professional standards;

8 b. Business & Professions Code sections 5100(e), 5100(g), 5097(d)  
9 and 5097(e) and California Code of Regulations, Title 16, Sections 68.1, 68.2 and 68.3, for  
10 failing to maintain audit documentation;

11 c. Business & Professions Code sections 5050 and 5060 for engaging  
12 in the practice of accountancy under a firm name that was not registered with the Board;

13 d. Business & Professions Code section 5100(g) and California Code  
14 of Regulations, Title 16, Section 63, for false and misleading advertisement;

15 e. Business & Professions Code section 5100(g) and California Code  
16 of Regulations, Title 16, Section 52, for failure to respond to Board inquiries, failure to respond  
17 to written and telephonic inquiries from the Board and failure to respond to the Board's  
18 investigative subpoena.

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1 ORDER

2 IT IS SO ORDERED that Certified Public Accountant Certificate No. 16334,  
3 heretofore issued to Respondent Leslie George Hukriede, Jr., is revoked.

4 Pursuant to Government Code section 11520, subdivision (c), Respondent may  
5 serve a written motion requesting that the Decision be vacated and stating the grounds relied on  
6 within seven (7) days after service of the Decision on Respondent. The agency in its discretion  
7 may vacate the Decision and grant a hearing on a showing of good cause, as defined in the  
8 statute.

9 This Decision shall become effective on April 29, 2007.

10 It is so ORDERED March 30, 2007

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12 \_\_\_\_\_  
13 FOR THE CALIFORNIA BOARD  
14 OF ACCOUNTANCY

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19 Attachments:

20 Exhibit A: Accusation No. AC-2006-35, Related Documents, and Declaration of Service  
21 Exhibit B: Certification of Costs

22 Default.wpd  
23 DOJ docket number:SD2006801524  
24  
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Exhibit A

Accusation No. AC-2006-35,  
Related Documents and Declaration of Service

1 EDMUND G. BROWN JR., Attorney General  
of the State of California  
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9 **BEFORE THE**  
**CALIFORNIA BOARD OF ACCOUNTANCY**  
**DEPARTMENT OF CONSUMER AFFAIRS**  
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. AC-2006-35

12 LESLIE GEORGE HUKRIEDE JR.  
13 8295 Westminister Boulevard, Suite 250  
Westminister, CA 92683

**A C C U S A T I O N**

14 CPA Certificate No. CPA 16334

15 Respondent.  
16

17  
18 Complainant alleges:

19 **PARTIES**

20 1. Carol Sigmann (Complainant) brings this Accusation solely in her official  
21 capacity as the Executive Officer of the California Board of Accountancy, Department of  
22 Consumer Affairs.

23 2. On or about April 23, 1971, the California Board of Accountancy issued  
24 Certified Public Accountant Certificate No. CPA 16334 to Leslie George Hukriede Jr.  
25 (Respondent). In March 1989<sup>1</sup>, the Certified Public Accountant Certificate was in a renewed  
26

27 1. The Board's records were transferred to the Department of Consumer Affairs'  
28 centralized computer system in March 1989, and, as a result, the underlying documentation  
related to the license history is unavailable prior to that date.

1 status with continuing education ("active") and remained in that status through July 31, 1989.

2           The Certificate was expired and was not valid during the period August 1, 1989  
3 through August 21, 1989, due to Respondent's failure to pay the renewal fee and submit proof of  
4 compliance with continuing education requirements.

5           Effective August 22, 1989, the Certificate was renewed through July 31, 1991,  
6 upon receipt of the renewal fee and declaration of compliance with continuing education  
7 requirements ("active").

8           The Certificate was expired and was not valid during the period August 1, 1991  
9 through October 1, 1991, due to Respondent's failure to pay the renewal fee and submit proof of  
10 compliance with continuing education requirements.

11           Effective October 2, 1991, the Certificate was renewed through July 31, 1993,  
12 with continuing education ("active").

13           The Certificate was renewed for the period August 1, 1993 through July 31, 1995,  
14 with continuing education ("active").

15           The Certificate was expired and was not valid during the period August 1, 1995  
16 through June 25, 1997, due to Respondent's failure to pay the renewal fee and submit proof of  
17 compliance with continuing education requirements.

18           Effective June 26, 1997, the Certificate was renewed through July 31, 1997, upon  
19 receipt of the renewal fee and declaration of compliance with continuing education requirements.

20           On March 25, 1997, charges of unprofessional conduct were filed against Leslie  
21 George Hukriede, Jr., by the California Board of Accountancy in Accusation No. AC-97-8. The  
22 Board's Stipulation in Settlement and Decision and Order No. AC 97-8 revoked Respondent's  
23 Certificate No. CPA 16334; the revocation was stayed, and said Certificate was placed on  
24 probation for three years with terms and conditions, effective September 7, 1997.

25           The Certificate was regularly renewed with continuing education ("active"), is  
26 currently in full force and effect and will expire on July 31, 2007, unless renewed.

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## STATUTORY JURISDICTION

3. This Accusation is brought before the California Board of Accountancy (Board), Department of Consumer Affairs, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

4. Section 118, subdivision (b), states:

The suspension, expiration, or forfeiture by operation of law of a license issued by a board in the department, or its suspension, forfeiture, or cancellation by order of the board or by order of a court of law, or its surrender without the written consent of the board, shall not, during any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its authority to institute or continue a disciplinary proceeding against the licensee upon any ground provided by law or to enter an order suspending or revoking the license or otherwise taking disciplinary action against the licensee on any such ground.

5. Section 5050 states:

No person shall engage in the practice of public accountancy in this State unless such person is the holder of a valid permit to practice public accountancy issued by the board; provided, however, that nothing in this chapter shall prohibit a certified public accountant or a public accountant of another state, or any accountant of a foreign country lawfully practicing therein, from temporarily practicing in this State on professional business incident to his regular practice in another state or country.

6. Section 5051 states:

Except as provided in Sections 5052 and 5053, a person shall be deemed to be engaged in the practice of public accountancy within the meaning and intent of [Chapter 1 of Division 3 (commencing with Section 5000)] if he or she does any of the following:

(a) Holds himself or herself out to the public in any manner as one skilled in the knowledge, science, and practice of accounting, and as qualified and ready to render professional service therein as a public accountant for compensation.

(b) Maintains an office for the transaction of business as a public accountant.

(c) Offers to prospective clients to perform for compensation, or who does perform on behalf of clients for compensation, professional services that involve or require an audit, examination, verification, investigation, certification, presentation, or review of financial transactions and accounting records.

(d) Prepares or certifies for clients reports on audits or examinations of books or records of account, balance sheets, and other financial, accounting and related schedules, exhibits, statements, or reports that are to be used for publication, for the purpose of obtaining credit, for filing with a court of law or with any governmental agency, or for any other purpose.

(e) In general or as an incident to that work, renders professional services to clients for compensation in any or all matters relating to accounting procedure and to the recording, presentation, or certification of financial information or data.



1 (f) Keeps books, makes trial balances, or prepares statements,  
2 makes audits, or prepares reports, all as a part of bookkeeping operations for  
clients.

(g) Prepares or signs, as the tax preparer, tax returns for clients.

3 (h) Prepares personal financial or investment plans or provides to  
4 clients products or services of others in implementation of personal financial or  
investment plans.

(i) Provides management consulting services to clients.

5 The activities set forth in subdivisions (f) to (i), inclusive, are  
6 'public accountancy' only when performed by a certified public accountant or  
public accountant, as defined in this chapter.

7 A person is not engaged in the practice of public accountancy if the  
8 only services he or she engages in are those defined by subdivisions (f) to (i),  
inclusive, and he or she does not hold himself or herself out, solicit, or advertise  
9 for clients using the certified public accountant or public accountant designation.  
A person is not holding himself or herself out, soliciting, or advertising for clients  
10 within the meaning of this section solely by reason of displaying a CPA or PA  
certificate in his or her office or identifying himself or herself as a CPA or PA on  
11 other than signs, advertisements, letterhead, business cards, publications directed  
to clients or potential clients, or financial or tax documents of a client.

12 7. Section 5060 states:

13 (a) No person or firm may practice public accountancy under any name  
which is false or misleading.

14 (b) No person or firm may practice public accountancy under any name  
other than the name under which the person or firm holds a valid permit to  
practice issued by the board.

15 (c) Notwithstanding subdivision (b), a sole proprietor may practice under  
a name other than the name set forth on his or her permit to practice, provided the  
16 name is registered by the board, is in good standing, and complies with the  
requirements of subdivision (a).

17 (d) The board may adopt regulations to implement, interpret, and make  
specific the provisions of this section including, but not limited to, regulations  
18 designating particular forms of names as being false or misleading.

19 8. Section 5097 states:

20 (a) Audit documentation shall be a licensee's records of the procedures  
applied, the tests performed, the information obtained, and the pertinent  
21 conclusions reached in an audit engagement. Audit documentation shall include,  
but is not limited to, programs, analyses, memoranda, letters of confirmation and  
22 representation, copies or abstracts of company documents, and schedules or  
commentaries prepared or obtained by the licensee.

23 (b) Audit documentation shall contain sufficient documentation to enable  
a reviewer with relevant knowledge and experience, having no previous  
24 connection with the audit engagement, to understand the nature, timing, extent,  
and results of the auditing or other procedures performed, evidence obtained, and  
25 conclusions reached, and to determine the identity of the persons who performed  
and reviewed the work.

26 (c) Failure of the audit documentation to document the procedures  
applied, tests performed, evidence obtained, and relevant conclusions reached in  
27 an engagement shall raise a presumption that the procedures were not applied,  
tests were not performed, information was not obtained, and relevant conclusions  
28 were not reached. This presumption shall be a rebuttable presumption affecting

1 the burden of proof relative to those portions of the audit that are not documented  
2 as required in subdivision (b). The burden may be met by a preponderance of the  
evidence.

(d) Audit documentation shall be maintained by a licensee for the longer  
3 of the following:

(1) The minimum period of retention provided in subdivision (e).

4 (2) A period sufficient to satisfy professional standards and to comply  
with applicable laws and regulations.

5 (e) Audit documentation shall be maintained for a minimum of seven  
years which shall be extended during the pendency of any board investigation,  
6 disciplinary action, or legal action involving the licensee or the licensee's firm.  
The board may adopt regulations to establish a different retention period for  
7 specific categories of audit documentation where the board finds that the nature of  
the documentation warrants it.

8 (f) Licensees shall maintain a written documentation retention and  
destruction policy that shall set forth the licensee's practices and procedures  
9 complying with this article.

10 9. Section 5100 states, in pertinent part:

11 After notice and hearing the board may revoke, suspend, or refuse to  
renew any permit or certificate granted under Article 4 (commencing with Section  
12 5070) and Article 5 (commencing with Section 5080), or may censure the holder  
of that permit or certificate for unprofessional conduct that includes, but is not  
13 limited to, one or any combination of the following causes:

14 (c) Dishonesty, fraud, gross negligence, or repeated negligent acts  
committed in the same of different engagements, for the same or different clients,  
15 or any combination of engagements or clients, each resulting in a violation of  
applicable standards that indicate a lack of competency in the practice of public  
16 accountancy or in the performance of the bookkeeping operations described in  
5052.

17 (e) Violation of Section 5097

18 (g) Willful violation of this chapter or any rule or regulation  
promulgated by the board under the authority granted under this chapter.

19 10. Section 5107, subdivision (a), states, in pertinent part:

20 The executive officer of the board may request the administrative law  
21 judge, as a part of the proposed decision in a disciplinary proceeding, to direct any  
holder of a permit or certificate found to have committed a violation or violations  
22 of this chapter to pay to the board all reasonable costs of investigation and  
prosecution of the case, including, but not limited to, attorneys' fees. The board  
23 shall not recover costs incurred at the administrative hearing.

24 11. Section 17500 states, in pertinent part:

25 It is unlawful for any person, firm, corporation or association, or any  
employee thereof with intent directly or indirectly to dispose of real or personal  
26 property or to perform services, professional or otherwise, or anything of any  
nature whatsoever or to induce the public to enter into any obligation relating  
27 thereto, to make or disseminate or cause to be made or disseminated before the  
public in this state, or to make or disseminate or cause to be made or disseminated  
28 from this state before the public in any state, in any newspaper or other

1 publication, or any advertising device, or by public outcry or proclamation, or in  
2 any other manner or means whatever, including over the Internet, any statement,  
3 concerning that real or personal property or those services, professional or  
4 otherwise, or concerning any circumstance or matter of fact connected with the  
5 proposed performance or disposition thereof, which is untrue or misleading, and  
6 which is known, or which by the exercise of reasonable care should be known, to  
7 be untrue or misleading, or for any person, firm, or corporation to so make or  
8 disseminate or cause to be so made or disseminated any such statement as part of  
9 a plan or scheme with the intent not to sell that personal property or those  
10 services, professional or otherwise, so advertised at the price stated therein, or as  
11 so advertised. Any violation of the provisions of this section is a misdemeanor  
12 punishable by imprisonment in the county jail not exceeding six months, or by a  
13 fine not exceeding two thousand five hundred dollars (\$2,500), or by both that  
14 imprisonment and fine.

### 15 REGULATIONS

16 12. California Code of Regulations, title 16, section 52, states:

17 (a) A licensee shall respond to any inquiry by the Board or its  
18 appointed representatives within 30 days. The response shall include making  
19 available all files, working papers and other documents requested.

20 (b) A licensee shall respond to any subpoena issued by the Board  
21 or its executive officer or the assistant executive officer in the absence of the  
22 executive officer within 30 days and in accordance with the provisions of the  
23 Accountancy Act and other applicable laws or regulations.

24 (c) A licensee shall appear in person upon written notice or  
25 subpoena issued by the Board or its executive officer or the assistant executive  
26 officer in the absence of the executive officer.

27 (d) A licensee shall provide true and accurate information and  
28 responses to questions, subpoenas, interrogatories or other requests for  
information or documents and not take any action to obstruct any Board inquiry,  
investigation, hearing or proceeding.

13. California Code of Regulations, title 16, section 58, requires that a  
licensee comply with all applicable professional standards.

14. California Code of Regulations, title 16, section 63, states:

A licensee shall not advertise or use other forms of solicitation in  
any manner which is false, fraudulent, misleading, or in violation of Section  
17500 of the Business and Professions Code.

15. California Code of Regulations, title 16, section 68.1, states:

(a) Working papers are the licensee's records of the procedures applied,  
the tests performed, the information obtained and the pertinent conclusions  
reached in an audit, review, compilation, tax, special report or other engagement.  
They include, but are not limited to, audit of other programs, analyses,  
memoranda, letters of confirmation and representations, abstracts of company  
documents and schedules or commentaries prepared or obtained by the licensee.  
The form of working papers may be handwriting, typewriting, printing,  
photocopying, photographing, computer, data, or any other letters, words,

1 pictures, sounds, or symbols or combinations thereof.

2 (b) Licensees shall adopt reasonable procedures for the safe custody of  
3 working papers and shall retain working papers for a period sufficient to meet the  
4 needs of the licensee's practice and to satisfy applicable professional standards and  
5 pertinent legal requirements for record retention.

6 (c) Licensees shall retain working papers during the pendency of any  
7 Board investigation, disciplinary action, or other legal action involving the  
8 licensee. Licensees shall not dispose of such working papers until notified in  
9 writing by the Board of the closure of the investigation or until final disposition of  
10 the legal action or proceeding if no Board investigation is pending.

11 16. California Code of Regulations, title 16, section 68.2, states:

12 (a) To provide for the identification of audit documentation, audit  
13 documentation shall include an index or guide to the audit documentation which  
14 identifies the components of the audit documentation.

15 (b) In addition to the requirements of Business and Professions Code  
16 Section 5097(b), audit documentation shall provide the date the document or  
17 working paper was completed by the preparer(s) and any reviewer(s), and shall  
18 include the identity of the preparer(s) and any reviewer(s).

19 (c) Audit documentation shall include both the report date and the date of  
20 issuance of the report.

21 17. California Code of Regulations, title 16, section 68.3, states:

22 (a) The retention period mandated by Business and Professions Code  
23 Section 5097 shall be measured from the report date.

24 (b) If audit documentation is required to be kept for longer than seven  
25 years because of a pending Board investigation or disciplinary action, audit  
26 documentation shall not be destroyed until the licensee has been notified in  
27 writing by the Board of the closure of a Board investigation or disciplinary  
28 proceeding.

(c) Any documents required to be maintained by Business and Professions  
Code Section 5097 or these regulations shall be maintained in accessible form.

(d) Audit documentation shall be retained whether or not the  
documentation supports the auditor's final conclusions. All audit documentation  
regarding any significant matter related to the audit shall be retained whether or  
not the documentation contains information or data inconsistent with the auditor's  
final conclusions. Significance of a matter shall be determined based on an  
objective analysis of the facts and circumstances. Audit documentation to be  
retained shall also include all documentation of consultations on, or resolutions of,  
any differences of opinion regarding the exercise of professional judgment.

### FIRST CAUSE FOR DISCIPLINE

#### **(Gross Negligence/Repeated Acts of Negligence and Failure to Comply with Professional Standards)**

18. Respondent is subject to disciplinary action in that Respondent's conduct  
constitutes gross negligence and repeated acts of negligence in the completion of victim JD's  
2003 and 2004 tax returns under section 5100, subdivision (c), and for violating California Code

1 of Regulations (CCR) title 16, section 58, due to Respondent's failure to comply with all  
2 applicable professional standards including, but not limited to, the AICPA's Statements on  
3 Standards for Tax Services<sup>2</sup> and the U. S. Department of Treasury Regulations, Circular 230, as  
4 follows:

5           a.       In the preparation of the 2003 federal and state returns, specifically  
6 Schedule E, the licensee failed to consider or address the tax issue related to the non-reporting of  
7 rental income on the residential rental property in the first year of acquisition of the rental  
8 activity. The Schedule E included \$8,150 in various property-related expenses and a \$9,076  
9 depreciation deduction, however no rental income was reported.

10           b.       In the preparation of the 2004 tax returns, specifically Schedule E,  
11 Respondent failed to consider or address the tax issue related to the non-reporting of rental  
12 income on the residential rental property in the second year of the rental activity. The Schedule E  
13 included \$19,150 in various property related expenses and a \$10,372 depreciation deduction,  
14 however, again no rental income was reported.

15           c.       On or about 2005, the victim discovered the aforementioned errors when  
16 she applied to refinance her loan on the properties. Further on the 2004 tax return, Respondent  
17 incorrectly included \$37,544 in tax-exempt interest income as taxable interest income on the  
18 Franchise Tax Board Form 540, state income tax return, even though the tax information  
19 provided by the victim indicated that the interest was tax-exempt.

## 20                                   **SECOND CAUSE FOR DISCIPLINE**

### 21                                   **(Failure to Maintain Audit Documentation)**

22           19.       Respondent is subject to discipline under section 5100, subdivisions (e)  
23 and (g), for his failure to maintain audit documentation to support his statement in his audit  
24 report dated June 10, 2003, on the financial statements of Westview Services, Inc. (A non-profit  
25

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26           2. The Statements on Standards for Tax Services (SSTS) promulgated by the Tax  
27 Executive Committee, reflect the American Institute of Certified Public Accountants' (AICPA)  
28 standards of tax practice and delineate members' responsibilities to taxpayers, the public, the  
government and the profession.

1 organization), as of and for the years ended March 31, 2002 and 2003, that his audits were  
2 conducted in accordance with generally accepted auditing standards (GAAS) and generally  
3 accepted government auditing standards (GAGAS). In addition, Respondent did not maintain the  
4 audit documentation to support his consideration of Westview's internal control over financial  
5 reporting, and on his tests of Westview's compliance with certain provisions of law, regulations,  
6 contracts and grants in accordance with GAGAS.

7           20. Respondent is subject to discipline under section 5100, subdivision (e), for  
8 violations of section 5097, subdivisions (d) and (e), for failing to maintain audit documentation  
9 for a minimum of seven years, as set forth above.

10           21. Respondent is subject to discipline under section 5100, subdivision (g), for  
11 violations of CCR, title 16, sections 68.1, 68.2 and 68.3 for failing to maintain his working  
12 papers, the records, tests performed, information obtained and pertinent conclusions reached in  
13 an audit, as set forth above.

### 14                                   **THIRD CAUSE FOR DISCIPLINE**

#### 15                                   **(Practicing Without a License)**

16           22. Respondent is subject to disciplinary action under sections 5050 and 5060  
17 in that Respondent engaged in the practice of public accountancy, as defined in section 5051,  
18 under the firm names of LGH Consulting, Inc., Certified Public Accountants or LGH Consulting,  
19 Inc., while the firm names were not registered with the Board. The Board notified Respondent to  
20 cease and desist using the firm name of LGH Consulting, Inc. in conjunction with the practice of  
21 public accountancy until it was registered with the Board. Nevertheless, Respondent continued  
22 to use the firm name in association with the solicitation of public accountancy services including,  
23 but not limited to, audits and reviews of financial statements.

### 24                                   **FOURTH CAUSE FOR DISCIPLINE**

#### 25                                   **(False and Misleading Advertisement)**

26           23. Incorporating by reference, the matters alleged in paragraph 22,  
27 Respondent is subject to disciplinary action under section 5100, subdivision (g), on the grounds  
28 of unprofessional conduct for failing to comply with CCR, title 16, section 63. Respondent's

1 solicitation of services to the public including, but not limited to, audits and reviews of financial  
2 statements under the firm names of LGH Consulting, Inc., Certified Public Accountants or LGH  
3 Consulting, Inc. was false and misleading.

#### 4 **FIFTH CAUSE FOR DISCIPLINE**

##### 5 **(Failure to Respond to Board Inquiries)**

6 24. Respondent is subject to disciplinary action under section 5100,  
7 subdivision (g), due to multiple, willful violations of CCR, title 16, section 52, subdivisions (a)  
8 and (b), by reason of his failure to respond to Board inquiries, written and telephonic, and his  
9 having failed to comply with the Board's duly issued investigatory subpoena as follows:

##### 10 **Written and Telephonic Inquiries**

11 25. On September 22, 2004, the Board wrote to Respondent and requested that  
12 he provide a written response related to the Westview Services, Inc. audit within thirty days.  
13 Respondent failed to respond. On November 30, 2005, in a follow up letter to their letter of  
14 September 22, 2004, the Board again requested a written response from Respondent requesting  
15 copies of his audit documentation related to the Westview Services, Inc. audit. The Board  
16 specifically requested copies of Respondent's auditing working papers for Westview Services,  
17 Inc. for the years ending March 31, 2002 and 2003.

18 26. On January 20, and 26, 2006, the Board received two written responses  
19 from Respondent that did not fully address the Board's request for documentation.

20 27. On January 26 and 27, 2006, the Board sent follow up letters to  
21 Respondent, reiterating requests for information made in the previous two letters. No response  
22 was received.

##### 23 **Investigatory Subpoena**

24 28. After receiving no further response from Respondent, on March 3, 2006,  
25 Complainant authorized the issuance of an investigatory subpoena to Respondent, pursuant to  
26 section 5108, directing Respondent to produce certain documents and information by mail or  
27 delivery to the Board's office in Sacramento.

28 29. On or about March 3, 2006, the subpoena and accompanying documents

1 were served by first class and certified mail to Respondent's address of record.

2 30. As of February 6, 2007, Respondent has made no response whatsoever to  
3 the subpoena or the Board's request for documentation.

4 **PRAYER**

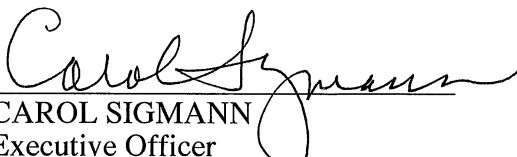
5 WHEREFORE, Complainant requests that a hearing be held on the matters herein  
6 alleged, and that following the hearing, the California Board of Accountancy issue a decision:

7 1. Revoking, suspending or otherwise imposing discipline on Certified  
8 Public Accountant Certificate No. CPA 16334, issued to Leslie George Hukriede, Jr..

9 2. Ordering Leslie George Hukriede, Jr. to pay the California Board of  
10 Accountancy the reasonable costs of the investigation and enforcement of this case, pursuant to  
11 Business and Professions Code section 5107;

12 3. Taking such other and further action as deemed necessary and proper.

13  
14 DATED: February 6, 2007

15  
16   
17 CAROL SIGMANN  
18 Executive Officer  
19 California Board of Accountancy  
20 Department of Consumer Affairs  
21 State of California  
22 Complainant

23 LA2004601924

24 CML (12/16/2004)  
25 50034907